Page 31, replace the paragraph beginning at line 1 with the following:

B32 According to the present invention, the efficiency of permanent magnet type rotary electric machine can be enhanced while reducing size and cogging torque thereof.

In the Claims:

Please amend claims 1-7 as follows:

B33 1. (Amended) In a rotary electric machine with a stator and a permanent magnet type rotor, on or near circumferential surface of the rotor facing the stator p • n pieces of permanent magnet blocks are disposed, herein p is number of poles of the rotor and n is an integer equal to or more than 2, and each of the permanent magnet blocks satisfies the following conditions;

$$(\theta i)-(\theta i + 1) = \pm (Ai \bullet p/2) \quad \ldots (1)$$

wherein, when assuming that clockwise direction is plus, Ai is an angle formed between radial center lines of ith permanent magnet block and (i+1) th permanent magnet block, θ i is an angle formed between magnetization direction of the ith permanent magnet block and the outward radial direction thereof, θ i + 1 is an angle formed between magnetization direction of the (i+1) th permanent magnet block and the outward radial direction thereof, and + in ± is for the case of an inner rotor type rotary electric machine and - in ± is for an outer type rotary electric machine.

B33 Cancel

2. (Amended) A rotary electric machine of claim 1, wherein the stator includes m pieces of salient poles disposed with an equal interval and satisfies the following condition;

$$m/p \leq 1.5 \quad \ldots (2)$$

3. (Amended) A rotary electric machine of claim 1 or claim 2, wherein when assuming that the outer diameter of the rotor as r and the thickness of each permanent magnet as t, the rotary electric machine satisfies the following condition;

$$t/r \geq 0.15 \quad \ldots (3)$$

4. (Twice Amended) A [dynamo] <u>rotary</u> electric machine of any one of claims 1 or 2, wherein the rotor is provided with a binding portion for binding the permanent magnet blocks on or near the circumferential surface thereof.

5. (Amended) A rotary electric machine of claim 4, wherein the binding portion is a groove provided on the circumferential surface of the rotor.

6. (Amended) A rotary electric machine of claim 4, wherein the binding portion is an aperture provided near the circumferential surface of the rotor.

7. (Twice Amended) A [dynamo] <u>rotary</u> electric machine of any one of claims 1 or 2, wherein each permanent magnet block is a NdFeB sintered magnet.